



**CAPTAC-DR**  
Centro Regional  
de Asistencia Técnica  
de Centroamérica, Panamá,  
y República Dominicana



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## Minutes of the XV Meeting of the Steering Committee Meeting of CAPTAC-DR

July 10th, 2023

1. The discussion focused on the following issues: (i) progress in capacity development (CD) in the areas of tax administration, customs administration, and public financial management; (ii) main CD outcomes and budget execution for fiscal year 2023 (FY23), and proposed work program and budget for FY24; and (iii) preliminary findings and potential themes for recommendations from the external mid-term thematic evaluation of the current phase of the Center.

### 2. **Committee members were informed of progress in CD in the areas of public finances.**

Members learned about progress in the creation of a Large Taxpayers Unit (LTU) in Panama, progress in the modernization of Guatemala's customs administration, as well as the process of modernizing treasury management in the CAPDR region.

The General Directorate of Revenue of Panama, with technical support from the IMF's Fiscal Affairs Department (FAD) and CAPTAC-DR, created a LTU in early 2023. The LTU seeks to strengthen control and improve service to large taxpayers to increase voluntary compliance. To date, progress in the implementation of the unit has been consistent with expectations, with good progress in the 1) formalization and 2) preparation stages. Next steps for the LTU will focus on establishing the necessary functions that will move the unit towards more advanced management, monitoring and adjustment actions.

In Guatemala, since 2015, the customs administration has carried out key actions to strengthen its institutionality within the framework of changes to its Organic Law, and with the support of FAD and CAPTAC-DR. Of note is the formulation and implementation of an Integral Customs Modernization Program and the implementation of actions in risk analysis, strategic planning, business continuity, post-clearance auditing, and digital transformation. As a result, there has been greater dynamism in revenue collection derived from the country's foreign trade. This has been accompanied by a reduction in physical inspections in line with international best practices, an increase in the rate of control assertiveness, as well as an improvement in clearance times for goods entering by air and land.

At the regional level, the treasuries have experienced a process of modernization to move from a paymaster role to one of public financial management. The CAPDR region has made solid progress in new practices on revenue and expenditure management, which has allowed it to acquire the practice of a cash program. The region is in a process of evolution, with modern asset and liability management practices, and initial actions for the massive implementation of electronic payment. During these modernization stages, FAD and CAPTAC-DR have actively contributed to the strengthening of human resources, enabling treasuries to implement advanced integrated asset and liability management practices, as well as to facilitate a unified governance of debt and cash.

**3. The Committee learned about CD progress in FY23 and approved the Center's FY24 work program.** CD delivery in FY23 was slightly lower than in the previous year, but higher than the pre-pandemic average. The execution rate of the FY23 workplan was 78 percent, close to that of the previous FY. There was an increase in the overall milestone score (3.5 out of 4.0) from the previous year (3.2), and this was accompanied by a higher number of milestones compared to FY22. The FY24 workplan proposes to return to the medium-term issues of the Program Document, with emphasis on resource mobilization and financial system strengthening. The FY24 plan is somewhat smaller than the previous FY and envisages continuing with the mixed format for CD delivery, but with a greater emphasis on face-to-face CD provision.

**4. Some meeting attendees commented on the underexecution of the workplan of certain areas in FY2023.** The Center's staff explained that the underexecution had resulted, in some cases, from changes in priorities during the year and, in others, from projects initiated in previous years that had yet to be completed. In this context, the importance of continuing to maintain fluid communication on changes in assistance priorities during the year and identifying actions that favor the continuous execution of work plans was emphasized.

**5. The Committee was informed of the budget execution in FY2023 and approved the budget for FY24.** Budget execution reached 71% in FY2023, considerably higher than the previous year, mainly because of the resumption of face-to-face assistance. The FY2024 budget of \$8.1 million is fully funded and somewhat lower than last year's approved budget, but higher than the amount executed that year. Disbursements from member countries and financial partners and savings generated during the pandemic period have allowed the Center to maintain a solid financial position. At the close of FY23, financial commitments totaled US\$34 million, an increase of US\$0.9 million from the previous year, reflecting rollover of funds from the previous phase by financial partners and a contribution from the IMF's COVID-19 Crisis CD Initiative.

**6. The Committee was presented with considerations related to the closing of the current phase and preparations for Phase IV.** Committee members learned about the plan to extend the current phase for approximately 12 months, thanks to the savings mentioned above. In preparation for the start of Phase IV, an IMF Interdepartmental Working Group will be formed to develop a Strategy Note that will serve as a basis for the preparation of a new Program Document. Preparations will take place between July and December 2023.

**7. The Committee was briefed on the main preliminary findings and potential themes for recommendations from the external mid-term thematic evaluation.** The evaluation is still ongoing, it focuses on the areas of tax administration and customs administration, and covers the work with Costa Rica, El Salvador, and the Dominican Republic during the first three fiscal years of Phase III. Among the main preliminary findings were that CD assistance has been relevant and responsive to country requirements, that country ownership of the assistance has increased, and that while there are good examples of coordination with other key technical assistance providers, there is room to deepen such coordination. Potential themes for recommendations include needs assessment, coordination with other

technical assistance providers, and the mixed approach (virtual and face-to-face) in the delivery of CD assistance. The evaluation report will be shared with the Steering Committee once finalized.

This minute and the material discussed during the meeting will be posted on the Center's website ([www.captac-dr.org](http://www.captac-dr.org)).

*Lisandro Abrego*

**Lisandro Abrego**

CAPTAC-DR Director and Steering Committee Secretary

<b>Chair</b>			
<b>No.</b>	<b>Name</b>	<b>Charge</b>	<b>Country/Institution</b>
1	Hector Valdez Albizú	Governor of the Central Bank of the Dominican Republic	Dominican Republic
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3	Luis Weisleder	Legal Advisor to the Ministerial Office of Finance	Costa Rica
4	Ana Mejia	Administration and Development Manager, Central Reserve Bank	El Salvador
5	César Alvarado	Manager of Studies and Economic Statistics of the Central Reserve Bank	El Salvador
6	Alvaro Gonzalez	President of the Bank	Guatemala
7	Saúl Octavio Figueroa	Vice Minister of Revenues and Fiscal Evaluation of the Ministry of Public Finances	Guatemala
8	Raymundo Rodas	Deputy Director of Economic Analysis of the Ministry of Public Finances	Guatemala
9	Joselito Zaldivar	Deputy Technical Manager of the Central Bank	Honduras
10	Elba Amador	Office of International Affairs Central Bank	Nicaragua
11	Magaly Saenz	General Manager of the Central Bank	Nicaragua
12	Indira Castroverde	Head of Registration and Statistics Department of the Ministry of Economy and Finance	Panamá
13	Brenda Villanueva	Director International Department Central Bank	Dominican Republic
14	Alejandro Tomas Guzmán	Deputy Director of International Economic Affairs of the Central Bank	Dominican Republic
15	Joel Porfirio Tejeda	Deputy Manager of Monetary, Exchange and Financial Policies, Central Bank	Dominican Republic
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16	Marcelo Hernandez	Regional Project Manager	BCIE
17	Leily Mendoza	Economist	BCIE
18	Miguel Medina	Economist	BCIE
19	Marie-Anne Prum	Attaché of the Delegation	Representative from the Luxembourg Ministry of European and Foreign Affairs
20	Miguel Marques	Deputy Director	Ministry of Finance of Luxemburg
21	Santiago Quiñonez	Director of Demand Management	APC Colombia
22	Carlos Quintero	Deputy Director of Demand Management	APC Colombia
23	Luz Seone	IMF and G20 Relations Officer	Spanish Ministry of Economic Affairs and Digital Transformation
24	Matteo Banti	Head of Cooperation of the European Union in Costa Rica	European Union
25	Joselyn Vargas	Operational Cooperation Manager	European Union
<b>Secretary of the Steering Committee</b>			
26	Lisandro Ábrego	Secretary of the Steering Committee/Director of CAPTAC-DR	CAPTAC-DR
<b>Permanent Observers: Executive Secretaries of the Regional Councils</b>			
27	Karina Velasquez	Executive Secretary	CCSBSO
28	Odalís Francisco	Executive Secretary CMCA	CMCA
29	Jorge Madrigal	Coordinator of the Monetary Policy Committee and the Managers Forum	CMCA
30	Alfredo Flores	COSEFIN Executive Secretary	COSEFIN

31	Jeannette Moz	Communications Officer	COSEFIN
32	Nelson Salazar	Technical Advisor	COSEFIN
<b>Other Observers</b>			
33	Mario Menéndez	Superintendent of the Financial System of El Salvador	Superintendency of the Financial System of El Salvador
34	Jessica Castro	Institutional Relations Coordinator	Superintendency of the Financial System of El Salvador
<b>Members of the external evaluation firm</b>			
35	Soren Jensen	Team Leader	GFA Consulting Group GmbH
36	Jorge Shepherd	Principal Evaluator	GFA Consulting Group GmbH
37	Denise Paladines	Consultant	GFA Consulting Group GmbH
<b>IMF/CAPTAC-DR</b>			
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39	Manuel Coronel	Advisor to Executive Director	IMF
40	Fernando López	Advisor to Executive Director for Colombia, Costa Rica, El Salvador, Guatemala, Honduras, México and Spain	IMF
41	Eloy Fisher	Advisor to the Executive Director	IMF
42	Ding Ding	Division Chief Central America and Mission chief Costa Rica	IMF
43	Bas Bakker	Division and Mission Chief for Panama	IMF
44	Alina Carare	Deputy Division Chief, Western Hemisphere Department	IMF
45	Metodij Hadzi-Vaskov	Regional Resident Representative for CAPDR	IMF
46	Santiago Acosta	Resident Representative for Costa Rica	IMF
47	Christian Henn	Resident Representative for Honduras	IMF
48	James Yoo	Senior Technical Assistance, ICD	IMF
49	Juan Redondo	Technical Assistance Advisor, FAD	IMF
50	Joannes Mongardini	Deputy Division Chief, MCM	IMF
51	José Effio	Senior Financial Sector Expert, MCM	IMF
52	Claudia B. Mariel	Technical Assistance Officer, STA	IMF
53	Alfredo Tijerina	Expert in Tax Administration	CAPTAC-DR
54	Selvin Lemus	Resident Expert in Customs Administration	CAPTAC-DR
55	Martha Cubillo	Resident Expert in Public Financial Management	CAPTAC-DR
56	Raúl Real	Resident Expert in Financial Supervision and Regulation	CAPTAC-DR
57	Daniela Gallardo	Resident Expert in Monetary and Exchange Operations	CAPTAC-DR
58	Jovana Palacios	Resident Expert in Real Sector Statistics	CAPTAC-DR
59	Mario Silva	resident Expert in Public Finance Statistics	CAPTAC-DR
60	José Castañeda	Office Manager	CAPTAC-DR
61	Andrés Navas	Project Manager	CAPTAC-DR
62	José Villalta	Administrative Assistant	CAPTAC-DR
63	Andrew Trejo	Administrative Assistant	CAPTAC-DR
64	Jimena López	Administrative Assistant	CAPTAC-DR
65	Luis San José	Administrative Assistant	CAPTAC-DR